

By: Estes

S.B. No. 1514

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of land for appraisal for ad valorem tax purposes as qualified open-space land if the land is used for certain oil and gas operations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 23, Tax Code, is amended by adding Section 23.524 to read as follows:

Sec. 23.524. OIL AND GAS OPERATIONS ON LAND. The eligibility of land for appraisal under this subchapter does not end because a lessee begins conducting oil and gas operations on the land under a lease over which the Railroad Commission of Texas has jurisdiction under Section 81.051, Natural Resources Code, if the land otherwise continues to qualify for appraisal under this subchapter.

SECTION 2. The change in law made by this Act does not affect an additional tax imposed as a result of a change of use of land appraised under Subchapter D, Chapter 23, Tax Code, that occurred before the effective date of this Act.

SECTION 3. This Act takes effect on the date on which the constitutional amendment proposed by the 85th Legislature, Regular Session, 2017, authorizing the legislature to provide for exceptions to the requirement that open-space land be devoted to certain purposes for ad valorem taxation based on the land's productive capacity is approved by the voters. If that amendment is

S.B. No. 1514

1 not approved by the voters, this Act has no effect.